Amendments to the Specification:

Please replace the paragraphs on page 7, lines 3-9 with the following amended paragraphs:

If the <u>quantized quantized spatial</u> coherency (QSC) is '0', it means that the spatial coherency is not valid.

On the other hand, if the spatial coherency is smaller than the threshold, 0.70, the quantization value for the corresponding spatial coherency is mappinged mapped into '1' (QSC =1), while a uniform quantization is applied to the region having the spatial coherency from 0.70 to 1 as many as the number of the remaining quantization values. Here, the uniform quantization is performed based on the following formula:

Please replace the paragraph on page 9, line 24-page 10, line 1 with the following amended paragraph:

Except for the central pixel PELj, if Ci == COLOR_OF_MASKED_PIXELk for all the other masked pixels (MASKED_PIXELk), they are increased by TOTAL_NUM_COHERENT ++ the value of TOTAL_NUM_COHERENT is increased by 1.